

Message Text

UNCLASSIFIED

PAGE 01 STATE 108259
ORIGIN COME-00

INFO OCT-01 AF-10 ARA-14 EUR-12 EA-12 NEA-10 ISO-00
AID-05 CIAE-00 EB-08 FRB-01 INR-10 NSAE-00 ICA-20
TRSE-00 XMB-04 OPIC-06 SP-02 LAB-04 SIL-01 OMB-01
AGRE-00 DOE-15 SOE-02 /138 R

DRAFTED BY COM:OIER:FLHALL:MCM
APPROVED BY EB/OCA/CM/JJREILLY
COM:OIER:FLHALL

-----085873 281406Z /53

R 272305Z APR 78
FM SECSTATE WASHDC
TO AMEMBASSY OTTAWA
AMEMBASSY MEXICO
AMEMBASSY BRASILIA
AMEMBASSY CARACAS
AMEMBASSY BONN
AMEMBASSY LONDON
AMEMBASSY PARIS
AMEMBASSY THE HAGUE
AMEMBASSY ROME
AMEMBASSY BRUSSELS
AMEMBASSY MADRID
AMEMBASSY STOCKHOLM
AMEMBASSY BERN
AMEMBASSY TEHRAN
AMEMBASSY JIDDA
AMEMBASSY TEL AVIV
AMEMBASSY LAGOS
AMEMBASSY NEW DELHI
AMEMBASSY TOKYO
AMEMBASSY SEOUL
AMCONSUL HONG KONG
AMEMBASSY TAIPEI
AMEMBASSY MANILA
AMEMBASSY JAKARTA
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STATE 108259

AMEMBASSY CANBERRA

UNCLAS STATE 108259

E.O. 11652: N/A

TAGS: ETRD, XG, XM, XF, NI, XC, XE, AS

SUBJECT: U.S. FOREIGN TRADE REPORT FOR MARCH 1978

MONTH OF MARCH

REFLECTING A SHARP EXPORT INCREASE AND A DROP IN IMPORTS, THE U.S. MERCHANDISE TRADE DEFICIT WAS SUBSTANTIALLY REDUCED IN MARCH COMPARED TO THE EXCEPTIONALLY LARGE RECORD IMBALANCE IN THE PRECEDING MONTH. AT 2,781 MILLION DOLLARS F.A.S. (3,651 MILLION DOLLARS C.I.F.), THE MARCH DEFICIT WAS NEVERTHELESS THE FOURTH HIGHEST ON RECORD. EXPORTS INCREASED 10 PERCENT ABOVE THE FEBRUARY LEVEL TO 10,912 MILLION DOLLARS, WHILE F.A.S. IMPORTS FELL 5 PERCENT TO 13,693 MILLION DOLLARS (14,563 MILLION DOLLARS C.I.F.).

THE EXPORT INCREASE IN MARCH REFLECTED WIDESPREAD ADVANCES AMONG INDIVIDUAL COMMODITIES. MACHINERY EXPORTS MOVED UP STRONGLY, AND AIRCRAFT DELIVERIES REBOUNDED AFTER A DROP IN THE PREVIOUS MONTH. SHIPMENTS OF CHEMICALS CONTINUED TO RISE. A 12 PERCENT JUMP IN THE VALUE OF AGRICULTURAL

EXPORTS, TO A NEAR-RECORD LEVEL, MAINLY RESULTED FROM SHARPLY HIGHER SHIPMENTS OF SOYBEANS AND COTTON. THE DROP IN IMPORTS WAS DUE PRIMARILY TO A SUBSTANTIAL DECLINE IN RECEIPTS OF PETROLEUM AND PRODUCTS. IN ADDITION, ARRIVALS

UNCLASSIFIED

PAGE 03 STATE 108259

OF STEEL FELL FROM THE UNUSUALLY HIGH FEBRUARY TOTAL. IMPORT INCREASES WERE RECORDED FOR A FEW PRODUCTS INCLUDING CHEMICALS, DIAMONDS, COCOA, PAPER, AND NON-MONETARY GOLD.

YEAR-TO-DATE

IN THE FIRST QUARTER OF 1978, U.S. EXPORTS TOTALED 30.8 BILLION DOLLARS, 4 PERCENT ABOVE THE LEVEL IN THE COMPARABLE PERIOD LAST YEAR, AND ONLY 2 PERCENT ABOVE THE AVERAGE QUARTERLY LEVEL IN 1977. EXPORTS OF MACHINERY REMAINED SLUGGISH, REFLECTING REDUCED DEMAND ABROAD FOR SOME TYPES OF EQUIPMENT, NOTABLY EXCAVATING AND POWER GENERATING MACHINERY. SHIPMENTS OF MOST INDUSTRIAL SUPPLIES AND MATERIALS WERE ALSO WEAK. COAL EXPORTS WERE REDUCED TO ONLY A TRICKLE BY THE LENGTHY MINERS' STRIKE. AGRICULTURAL EXPORTS, ON THE OTHER HAND, INCREASED IN VALUE COMPARED WITH EITHER THE FIRST QUARTER OF 1977 OR THE AVERAGE LEVEL LAST YEAR, DESPITE INLAND TRANSPORTATION PROBLEMS WHICH REPORTEDLY HAMPERED GRAIN AND SOYBEAN MOVEMENTS.

IMPORTS IN THE FIRST QUARTER PRESENTED A MIXED PICTURE. PETROLEUM PURCHASES--ACCOUNTING FOR ONE-FOURTH OF THE TOTAL--FELL SHARPLY, WHILE OTHER IMPORTS ROSE STRONGLY. THE F.A.S. VALUE OF IMPORTS IN THE FIRST THREE MONTHS WAS 40.5 BILLION DOLLARS (43.1 BILLION DOLLARS C.I.F.), 13 PERCENT ABOVE THE COMPARABLE PERIOD OF 1977. PETROLEUM RECEIPTS, AT 9.3 BILLION DOLLARS, WERE 2 BILLION DOLLARS BELOW THE RECORD HIGH LEVEL POSTED IN THE FIRST QUARTER OF 1977 AND WERE ALSO LOWER THAN IN ANY OTHER THREE-MONTH PERIOD LAST YEAR. THE DROP IN VALUE FROM JANUARY-MARCH 1977 RESULTED FROM A ONE-FIFTH DECLINE IN QUANTITY WHICH WAS ONLY SLIGHTLY OFFSET BY A 2 PERCENT AVERAGE INCREASE IN PRICE. THE SHARP DROP IN VOLUME REFLECTED A SUBSTANTIAL DRAWDOWN OF LARGE INVENTORIES WHICH, TOGETHER

UNCLASSIFIED

UNCLASSIFIED

PAGE 04 STATE 108259

WITH AN INCREASE IN DOMESTIC OIL PRODUCTION, MORE THAN COUNTERED A SMALL RISE IN U.S. PETROLEUM CONSUMPTION.

THE 27 PERCENT RISE IN NON-PETROLEUM IMPORTS FROM THE FIRST QUARTER OF 1977 REFLECTED SHARP VALUE INCREASES FOR MOST PRODUCTS, PARTICULARLY FOREIGN CARS, MACHINERY, AND STEEL. ALTHOUGH IT IS NOT POSSIBLE TO QUANTIFY THE EFFECT, HIGHER PRICES CAUSED BY THE APPRECIATION OF FOREIGN CURRENCIES AGAINST THE DOLLAR UNDOUBTEDLY CONTRIBUTED TO THESE IMPORT INCREASES. VANCE

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: REPORTS, FOREIGN TRADE, TRADE DATA
Control Number: n/a
Copy: SINGLE
Draft Date: 27 apr 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978STATE108259
Document Source: CORE
Document Unique ID: 00
Drafter: OIER:FLHALL:MCM
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780182-0250
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t1978048/aaaaaghw.tel
Line Count: 146
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 53ec34b4-c288-dd11-92da-001cc4696bcc
Office: ORIGIN COME
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29 mar 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3036533
Secure: OPEN
Status: NATIVE
Subject: U.S. FOREIGN TRADE REPORT FOR MARCH 1978 MONTH OF MARCH
TAGS: ETRD, XG, XM, XF, NI, XC, XE, AS
To: OTTAWA MEXICO MULTIPLE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/53ec34b4-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014